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SFUND RECORDS CTR
2260283

EXECUTIVE SUMMARY

Site Name:	**Caspian, Inc.**
EPA ID Number:	**CAD 053851366**
Envirostor ID:	**37370094**
Site Screen	**YES:** ☐ **NO:** ☒
Site Reassessment	**YES:** ☒ **NO:** ☐

Findings and Recommendation :

Pre-Triage Recommendation					
Refer to: ☐ EPA ☐ CADTSC ☐ CARWQCB ☒ Local Agency					
FORWARD TO TRIAGE:	☒	Yes	☐	No	
Post-Triage Recommendation					
Refer to: ☒ EPA ☐ CADTSC ☐ CARWQCB ☐ Local Agency					

Discovery site requires PA. Possible FAD.
Forward to PA Needed unincorporated Cudlis

Final Signatures and Concurrence:

DTSC Screener:	Signature	Eileen Khachatourians (Type Name)	05/09/2008 (Date: MM/DD/YYYY)
DTSC Approval:	Signature	Greg Holmes (Type Name)	5/9/08 (Date: MM/DD/YYYY)
EPA Concurrence:	Signature	Matt Mitguard (Type Name)	2/9/09 (Date: MM/DD/YYYY)

2260283

SITE SCREENING ASSESSMENT

Prepared by: Eileen Khachatourians
California Department of Toxic Substances Control
Cooperative Agreement Number: V99925205-3
DTSC Fiscal Year: 2007-2008

Prepared for:
United States Environmental Protection Agency
Region 9
States, Planning, and Assessment Office
San Francisco, California

Date: May 9, 2008

Site Name: Caspian, Inc.
City: San Diego
County: San Diego
EPA ID Number: CAD 053851366
CADTSC Envirostor ID Number: 37370094
DTSC Regional Office: Cypress

SITE SCREENING ASSESSMENT (SSA)

Site Screening: ☐ \ **Site Reassessment:** ☒

Section 1: Site Information

1.1: Site Name: Caspian, Inc.
Other Names:

1.2: Origin of Site under assessment:

Discovery Project/Name:
or
Referral from other Agency/Name:
or
Complaint/ Name:
or
In CERCLIS (for Reassessments): yes

1.3: Site Location Information

Street Address: 4951 Ruffin Road

City: San Diego **County:** San Diego

State: California **Zip Code:** 92123-1615

Latitude: 32.826323 **Longitude:** -117.125657

Acres: ~8 acres

1.3 Regulatory Information:

CERCLIS? Yes

RCRA site? Yes

SLIC site? No

LUFT site? Yes - Closed - referred to SD DEH

UST site? No

WIP site? No

Landfill site? No

Local Agency site? Yes SD DEH

Envirostor ID: 37370094

EPA ID: CAD 053851366

Geotracker ID: none

SD DEH Case Number: H07938-001

Is the contamination petroleum related: No

Section 2: Operational History

Current owner: Elkhorn Ranch, Inc.
Current operator: Stu Segall Productions
Hazardous materials used: Oils and paints for various site operations and maintenance
Hazardous materials suspected: none
Dates of operation: 2002/3 to present

Historical owners/operators that may have used Hazardous Materials onsite:
Specify dates and materials that may have been used:

Owners: Wells Booth – Elkhorn Ranch, Inc.
Operators: Caspian, Inc. Mr. Cyrus Jaffari - President
Hazardous materials used: Fluoride nitrate, sulfide, butanol, Tetrachloroethylene (PCE), Triethanolamine (TEA), alodine and hydrofluoric acid (HF).
Dates of operation: 1965-2003

Other Operations – dates unknown:
According to the previous site screening done for this site, it was noted that NASA conducted explosive forming and other unknown processes; Teledyne Ryan conducted explosive forming and chemical milling; and the companies Straza and Plessey both conducted chemical milling at the site.

Section 3: Site Impact Information

What is the site setting: Suburban
Details:

Land use surrounding the site: Mixed
Details: The surrounding area is predominantly commercial and industrial.

Are there residences within 200 feet: No
Details:

Are there schools/day care centers within 200 feet: No
Details: The nearest schools to the site are Polinsky School (0.2 miles NE) and Viewridge Avenue (0.3 miles SE).

Surface water within 2 miles of the site? No
Details:

Are there any sensitive environments or wetlands within 2 miles of site: No
Details:

Is this site a source of contamination to surface water? No
Details:

Is surface water used for drinking water within 15 miles of the site? No

If yes, is the surface water used for public / commercial supply:

If yes, is the surface water used for private supply:

If yes, approximately how many people served by the surface water:

Details:

Is groundwater used for drinking water within 4 miles of site? Unknown

If yes, are the drinking wells public / commercial: **or private** 11

If yes approximately how many people served by the ground water:

Details: Groundwater is not generally used for drinking water in the area. Most water is imported from Northern California. However, during a well search by the San Diego County Dept. of Environmental Health, Land and Water Quality Division, 11 private water wells were found to be within 4 miles of the site. It is not distinguished if these wells are used for drinking or other uses. Each well owner would need to be contacted for specific use information.

Is groundwater within 4 miles of the site known to be contaminated with hazardous substances? Yes

If yes, what hazardous substances: Trichloroethane (TCA), Dichloroethylene (DCE), Trichloroethylene (TCE), Tetrachloroethylene (PCE).

If yes, do any of the levels exceed drinking water standards? It is possible that groundwater contamination levels exceed drinking water standards because there are roughly 500 San Diego DEH Site Assessment and Mitigation cases within 4 miles of the Site address. However, groundwater is not used for drinking water.

Details:

Is this site a source of ground water contamination? Unknown
Details: During the 1993 sampling event for Caspian Inc, groundwater was not sampled, nor encountered during sampling. There is no evidence documented that operations which took place at Caspian Inc. caused groundwater contamination. The current facility and site operations have not contributed to groundwater contamination, according to the operations manager at Stu Segall Productions. However, there is a possibility that the groundwater may be contaminated from past operations at the site.

Any Community Involvement? Unknown
Details:

Site Reconnaissance

1. **Date of visit:** 2/4/2008, viewed from outside
   4/23/2008 phone discussion with Mark Lajoie, Operations Manager for Stu Segall Productions, verified specific information regarding onsite operations/buildings
2. **Adjacent properties:**

   North Commercial Office buildings
   South Commercial/Industrial – office buildings
   East Commercial/Industrial – office buildings
   West Commercial/Industrial – office buildings

3. **Structures onsite (e.g. Office Bldg, Paint Booth, Repair Shop etc.):** Set production areas/buildings, repair shop

4. **Any visual staining:** No

5. **Any hazardous Materials storage onsite:** Currently the facility on the site disposes waste oil and paints from repair and movie set manufacturing. All wastes are disposed regularly under an EPA ID number, and according to Mark Lajoie, Operations Manager of Stu Segall Productions, the facility is routinely inspected by the San Diego DEH.

6. **Specify any hazardous Materials used onsite:** Waste oils and paints.

7. **Indicate if following are present onsite, specify volume, content and how many:**

a) **Drums:** none
b) **ASTs:** none
c) **USTs:** none
d) **Clarifiers:** none
d) **Other:**

8. **Any transformers containing PCBs?** No

9. **Any previous sampling results:** Sampling done prior to sale of property. No sampling since operator change from Caspian Inc. to Stu Segall Productions.

Section 4: Recommendations/Conclusions

Does the site pose an immediate threat and require Removal? No

Have there been any historical releases at the site: Yes, historical releases have occurred at the site, but based on documentation from San Diego County Department of Environmental Health, the site has been remediated, all underground storage tanks have been closed (1997) and the site has a "no further action" status. However, the "no further action" determination appears to have been made based on a cleanup to hazardous waste levels, not risk-based standards. See Attached documents.

Based on the site reconnaissance and/or regulatory search is there a potential for a release at the site? Based on the current operation at the site, there does not appear to be a major threat of release. Though the current operations do use some hazardous substances, they are not a significant part of their daily operations. Routine inspections are conducted at the site under the oversight of San Diego County. However, PCE in soil could be a source of continuous release to groundwater.

Summary

The buildings which were used for Caspian Inc.'s operations (4951 Ruffin Road) are located behind 4705 Ruffin Road. At one time, Stu Segall Productions operated only at the 4705 address, but currently they operate at both addresses. The former Caspian Inc. property is now used for manufacturing of movie set equipment and army type training for movie productions. From a discussion with Mark Lajoie, the Operations Manager for Stu Segall Productions, the site where Caspian used to operate was remediated with oversight from the San Diego County, Department of Environmental Health prior to Stu Segall Productions leasing the property for their use. The Production Company uses some amounts of hazardous materials--such as oils and paints for maintenance of their equipment and set productions--actively disposes of their waste under an EPA ID number, and undergoes regular inspections for their waste management activities by San Diego County.

Caspian Inc. was the operator on the property at 4951 Ruffin Road for various activities involving chemical milling and explosive forming processes which used hazardous chemicals such as fluoride nitrate, sulfide, butanol, tetrachloroethylene (PCE), triethanolamine (TEA), alodine, hydrofluoric acid (HF) and possibly other chemicals.

In 1990 the San Diego County Department of Health Services, Hazardous Materials Management Division (HMMD) conducted an inspection of the Caspian Inc. facility and noted several violations ranging from labeling to observations of exposed materials and possible leakage of hazardous materials to soil (attachment 1). In response to this violation report, sampling was conducted under the oversight of the HMMD, to investigate the extent of contamination at the site in the northwest and southeast corners of the property, where possible contamination may be present. A letter stating the summary of work completed and additional sampling, as well as the report of results from sampling, are included in attachments 3 and 4 respectively.

Following the sampling events, it appears that a series of activities took place including remediating and removing underground tanks from the site. In 1996 a no further action letter was sent to the Environmental Manager at Caspian Inc. in reference to the buried empty drums that were formerly used to store HF at the site (attachment 5). Then in 1997 the San Diego County Site Assessment and Mitigation (SAM) Division sent a letter in response to the work done at the site in 1993 under oversight by the HMMD stating that no additional information was necessary regarding [the] matter; and that a tank closure in place notice stated no further action was needed for the site (attachments 6 and 7 respectively).

Attachment A

SITE SCREENING ASSESSMENT CONTACT REPORT

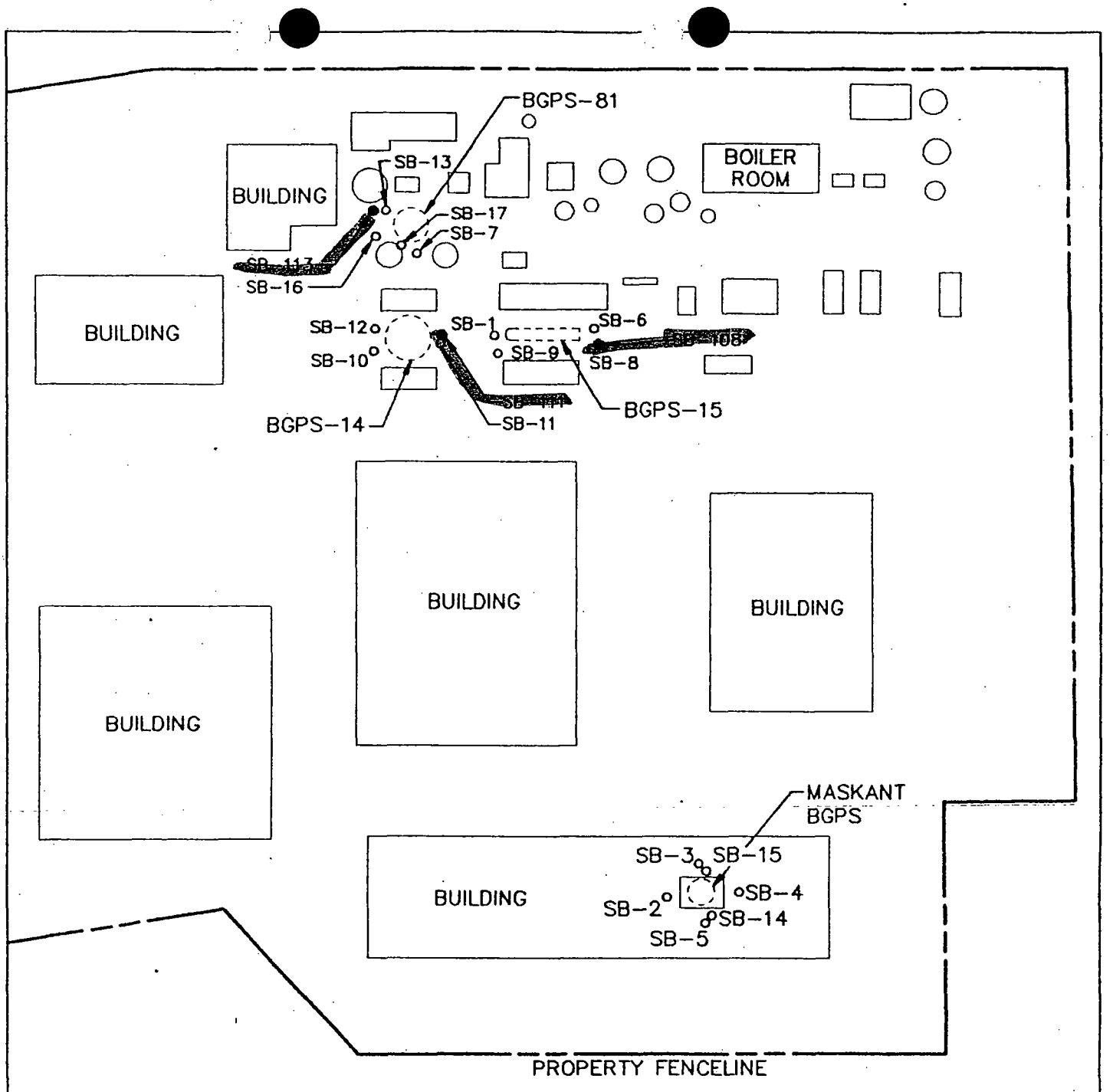
Site Name: Caspian Inc. **Site Screener:** Eileen Khachatourians

Contact Name	Affiliation	Telephone Number	Date	Discussion
Joyce Ellman	San Diego County Dept. of Environmental Health	619-338-2268	1/7/2008	Sent fax request to search for records. Set appointment for 2/4/2008 to visit SD DEH and review files.
Dan Dear	San Diego County Water District	858-522-6600	4/17/2008	Called to discuss groundwater uses for drinking water in the area. Was told that groundwater in the entire area was imported and no groundwater was used for drinking water. For water quality questions, referred to Land and Planning Division for SD County.
Anne Longworth and Mary Sue Crystal	San Diego County DEH, Land and Water Quality Division	Anne: 858-694-3086 Mary Sue: 619-338-2013	4/23/2008	Asked about water quality of groundwater in area to check for any hazardous materials contamination. Anne confirmed that ground water in the area was not used for drinking and referred the call to Mary Sue. Mary Sue confirmed the number of Site Assessment and Mitigation sites for their department and referred the call to Kevin Heaton (hydrogeologist). Sent information via email regarding drinking water wells near 4 miles of site.
Mark Lajoie	Stu Segall Productions – Operations Manager	858-974-8988	4/23/2008	Discussed site operations, hazardous materials used on site, ownership, location of the site, time of beginning of lease.
Bob Giesick	San Diego County Dept of Land Use and Planning	858-694-3718	4/24/2008	Called to gather information regarding contamination of groundwater within 4 miles of site location. Referred to Kevin Heaton or James Clay at SD DEH.
Kevin Heaton	SD County DEH, Land and Water Quality Division	619-338-2221	4/24/2008	Called to gather information regarding contamination of groundwater within 4 miles of site location. Left message. Sent email 4/25. Spoke with Kevin regarding well types in area (11 private wells) and their possible uses. Informed me that the wells are not managed by the county and if specific use information was needed, I would need to contact the individual owner of the wells. Most likely based on location they are used for irrigation and not drinking, but it is not certain.

Attachment B

SITE EVALUATION MAP AND BACKUP COVER PAGE


4951 Ruffin Road - Caspian Inc. - For
4705 Ruffin Rd, San Diego, CA 92123
© 2008 Tele Atlas
Viewridge Avenue
Google
Pointer 32°49'32.32" N 117°07'27.64" W
Streaming 100%
Eye alt 1649 ft



LEGEND

SB-17 ○ PREVIOUS SOIL BORING LOCATION BY HARGIS & ASSOCIATES

SB-113 ● SOIL BORING LOCATION THIS INVESTIGATION

◌ BELOW GRADE PROCESSING STRUCTURE

ALL LOCATIONS AND DIMENSIONS ARE APPROXIMATE

0 100

FEET

FIGURE 1

LOCATION OF SOIL BORINGS

DUDEK & ASSOCIATES, INC.

Attachment C

SITE SCREENING ASSESSMENT ATTACHMENT INDEX

Site Name: Caspian Inc. **Site Screener:** Eileen Khachatourians

Attachment #	Document Title	Date	Details of Attachment
1	Notice of Violation	4/25/1990	Notice of Violation to Caspian Inc. which notes observations of possible contamination from tanks.
2	Official Notice	2/14/1992	States that the Regional Water Quality Control Board will not be the oversight agency for the site cleanup. The Hazardous Materials Management Division for the County Dept. of Environmental Health will be the lead agency.
3	Summary of Work Completed and Proposed Additional Sampling	2/12/1992	Provides overview of sampling activities conducted at the site, and also proposes additional sampling to be conducted to complete characterization.
4	Results of Additional Soil Sampling	7/30/1993	Data results from sampling activities at the Caspian Inc. Site.
5	Buried Empty Drums Formerly used to Store HF	1/19/1996	No Further Action letter issued by the SD County DEH, Site Assessment and Mitigation (SAM) Division in reference to remediation of drums containing HF.
6	Caspian Inc. 4951 Ruffin Rd. – letter from SD County DEH SAM Division.	3/6/1997	Letter referencing the former alodine area where cracked concrete had caused contamination. States that after review of HMMD investigation no additional information is necessary regarding matter. – Sampling results were less than hazardous levels.
7	Tank Closure in Place	5/22/1997	Letter states that the tanks have been closed in place under permit and will not require any further action.

Attachment D

SITE TYPE – PRIMARY/SECONDARY ACTIVITY FORM

Fed Fac Indicator: ☐ Federal Facility ☒ Not A Federal Facility ☐ Status Undetermined

RCRA Status: ☒ Generator ☐ TSDF ☐ Transporter ☐ Not listed in RCRIS

SITE TYPES **(Designate one dominant primary category (*PC*). Designate all secondary subcategories (*SS*) that apply.) Site type designations for both primary & secondary should pertain to the operation(s) on site of environmental consequence.**

P C	*S S*	**Manufacturing/Processing/Maintenance** (Subcategory)
☐	☒	Chemicals and allied products
☐	☐	Coal gasification
☐	☐	Coke production
☐	☐	Electric power generation and distribution
☐	☐	Electronic/electrical equipment
☐	☐	Fabrics/textiles
☐	☐	Lumber and wood products/pulp and paper
☐	☐	Lumber and wood products/wood preserving/treatment
☒	☐	Metal fabrication/finishing/coating and allied industries
☐	☐	Oil and gas
☐	☐	Ordnance production
☐	☐	Plastics and rubber products
☐	☐	Primary metals/minerals processing
☐	☐	Radioactive products
☐	☐	Tanneries
☐	☐	Trucks/ships/trains/aircraft and related components

P C	*S S*	**Waste Management** (Subcategory)
☐	☐	Radioactive waste treatment, storage, disposal
☐	☐	Municipal solid waste landfill
☐	☐	Mine tailings disposal
☐	☐	Industrial waste landfill
☐	☐	Industrial waste facility (non generator)
☐	☐	Illegal disposal/open dump
☐	☐	Co-disposal landfill (municipal and industrial)

P C	*S S*	**Other** (Subcategory)
☐	☐	Agricultural
☐	☐	Contaminated sediment site with no identifiable source
☐	☐	Dust control
☐	☐	Ground water plume site with no identifiable source
☐	☐	Military/other ordinance
☐	☐	Product storage/distribution
☐	☐	Research, development, and testing facility
☐	☐	Retail/commercial
☐	☐	Spill or other one time event
☐	☐	Transportation (e.g. railroad yards, airports, barge docking site
☐	☐	Treatment works/septic tanks/other sewage treatment

P C	*S S*	**Mining** (Subcategory)
☐	☐	Coal
☐	☐	Metals
☐	☐	Non-metals minerals
☐	☐	Oil and gas

P C	S S	**Recycling** (Subcategory)
☐	☐	Automobiles/tires
☐	☐	Batteries/scrap metals/secondary smelting/precious metal recovery
☐	☐	Chemicals/chemicals waste (e.g. solvent recovery)
☐	☐	Drums/tanks
☐	☐	Waste/used oil

SITE TYPES **(Designate one dominant primary category (*PC*). Designate all secondary subcategories (*SS*) that apply.)**

Attachment E

SITE SCREENING ASSESSMENT SAMPLING EVENT SUMMARY TABLE

Site Name: Caspian Inc. **Site Screener:** Eileen Khachatourians

Date	Event	Media	Location	Depth	Method	Quality	Result	Benchmark
February 1992	Dudek and Associates, Inc.	Soil	North area of property near tanks	0-19 feet below ground surface	EPA Method 6010	Titanium - composite	2,980 mg/kg	**Titanium:** 100,000 mg/kg Residential and Industrial
"	"	"	"	0-16 feet bgs	"	Aluminum – composite	19,800mg/kg	**Aluminum:** Residential: 76,000mg/kg Industrial: 100,000 mg/kg
"	"	"	"	0-20 feet bgs	"	"	16,500 mg/kg	
	"	"	"	15.5 feet bgs	CAM 17 metals	Titanium	1,020 mg/kg	
	"	"	"	15.5 feet bgs	"	Aluminum	25,100 mg/kg	
November 1991 and March 1992	"	"	Muskant GSPS, tank area on southern portion of property	10 feet bgs	EPA Method 8010 and 8015	Tetrachloro-ethylene (PCE)	190 mg/kg	**PCE:** Residential: 0.48 mg/kg Industrial: 1.3 mg/kg
								*Benchmark values from the EPA Region 9 PRG Table

Attachment #1

Notice of Violation
4/25/1990

Venetti

County of San Diego

J. WILLIAM COX, M.D., Ph.D.
DIRECTOR
(619) 236-2237

DEPARTMENT OF HEALTH SERVICES

1700 PACIFIC HIGHWAY, SAN DIEGO, CALIFORNIA 92101-2417

STEVEN A. ESCOBOZA
ASSISTANT DIRECTOR
(619) 236-7633

ENVIRONMENTAL HEALTH SERVICES
HAZARDOUS MATERIALS MANAGEMENT DIVISION
P. O. BOX 85261
SAN DIEGO, CA 92138-5261
(619) 338-2222

April 25, 1990

Cyrus Jafari, President
Caspian, Inc.
4951 Ruffin Road
San Diego, CA 92123

NOTICE OF VIOLATION

Dear Mr. Jafari:

On April 12, 1990, personnel from the Hazardous Materials Management Division (HMMD) participated in an investigation of your business along with other local, state, and federal agencies. The purpose of the investigation was to obtain information regarding the management of hazardous materials and wastes which are used or disposed of by your company. Based upon our observations, **Caspian, Inc.** is not in compliance with Chapters 6.5, 6.7 and 6.95, Division 20 of the California Health and Safety Code (H&SC); and Title 22, Division 4, Chapter 30 of the California Code of Regulations (CCR).

The following paragraphs specify the violations observed on April 12, 1990, and the corrective measures you must undertake to satisfy the requirements of the law.

VIOLATIONS

1) Sections CCR 67241, 67243(b), 66508, and 67120(a): The black roll-off bin at the east end of the site by the sump had leaked sludge (green) onto the ground surface and the sludge was observed to be ponding on the ground surface. This roll-off bin was labeled with a hazardous waste sticker which was not filled out. Corrective Action: Clean up the spilled sludge from the ground surface. Take appropriate actions to prevent further leakage of wastes from this roll-off bin and properly label this waste sludge with a completed hazardous waste label that contains the necessary information.

2) Section CCR 67120(a): The concrete slab (ground surface) by the alodine tank at the northwest corner of the site was

deteriorated and the underlying soil was exposed. An unknown liquid was observed draining from the plating tanks area beside this hole. The black soil in this hole was moist. Corrective Action: Discontinue the discharge of liquid waste into this hole. Make the necessary repairs to prevent further discharge of liquids into the ground.

3) Sections H&SC 25189.5, 25113, and CCR 66042: Wipe rags used to apply volatile solvents were observed to be set outdoors on trays (west of the boilers) to permit evaporation of the solvent into the atmosphere. Corrective Action: Discontinue the disposal of solvent through evaporation from the used wipe rags.

4) Sections CCR 67120(a) and 66471: Wet sludge (greenish tinge) was observed to be ponding along the curb north of the alodine process area tanks and had flowed directly into the sewer drain. Sludges containing heavy metals from process tanks should not be discharged to the sewer unless authorized to do so. Corrective Actions: Conduct a hazardous waste determination for this waste sludge and provide the results in writing to the HMMD. Note: A split sample of this sludge was given to Linda Collins, Environmental Manager, Caspian, Inc.

5) Sections CCR 66471, 67243, 66508; and H&SC 25124: Numerous unlabeled drums and other containers containing various liquids, sludges, and a combination of liquid and sludge were observed along the north side of the chemical milling area. Other drums labeled hazardous waste were also not maintained tightly closed. Two 55 gallon poly drums were observed at the chemical storage area (southeast corner) without labels. Also, an open 5 gallon bucket (next to a UREA bucket) containing an unknown liquid (3 gallons) was observed at the chemical storage area. Corrective Action: Maintain all hazardous waste containers tightly closed. Also, label each container identifying the contents as a material or waste. Conduct a hazardous waste determination for those substances that are in unlabeled containers. Label according to applicable laws and regulations. Storing open drums and barrels containing liquids/sludges on portable pallets and exposed to inclement weather conditions increases the potential for unplanned spills to the ground surface.

6) Sections H&SC 25123.5, 25179.3, 25191(d), and 25201; CCR 66371 and 66216: Sludge dryers and a sludge filter press were observed at the chemical milling area. Also, several sludge drying beds were observed at the northeast portion of the site. Large quantities of wet sludge were seen in the drying

beds exposed to the sunlight evaporating into the atmosphere. One sludge drying bed had a discarded hazardous waste label mixed in with the sludge. None of the sludge drying beds were labeled. Furthermore, the facility incorporates neutralization of corrosive wastes as a treatment method for on-site management of hazardous wastes. Information received from the Metropolitan Sewer District (San Diego) indicates that "batch treatment" of corrosive wastes instead of "in line" flow through pretreatment into the sewer system is a waste treatment method used by your company. Also, as noted in item #3 above, the evaporation of volatile solvents from wipe rags was observed and this is a form of treatment. Corrective Action: Discontinue the **treatment** of hazardous wastes at the site. Obtain written authorization from the State Department of Health Services, Toxic Substances Control Division (TSCD), Long Beach office, before continuing the treatment of hazardous wastes at your facility. Sludges which are regulated as hazardous waste must be containerized and properly labeled with a hazardous waste sticker. Do not evaporate solvent from dirty rags into the atmosphere. The dewatering of sludge by evaporation and with a filter press/sludge dryers are forms of treatment.

7) Section CCR 66508: At the northwest corner of the site (flammable storage cage) and at the southeast chemical storage area we observed hazardous waste stored for more than 90 days. Waste solvent drums (Crown LVP Rule 67.9A) had an accumulation start date of 8/89 and the waste oil at the chemical storage area had an accumulation date of 12/89. Corrective Action: Do not store hazardous waste on-site for more than 90 days without authorization from the TSCD.

8) Sections H&SC 25504 and 25505: The actual facility layout and equipment location has not been adequately defined on your site map submitted to the HMMD as part of your business plan. Corrective Action: Revise your site map to show all hazardous materials storage areas, sewer drains, equipment, sludge handling areas, etc. and other information that will update your site map.

9) Section H&SC 25124: Severely corroded metal drums, with poly liners, labeled acid were observed outside, west of the boiler area. These drums were in very poor condition. Corrective Action: Transfer the contents of these drums into containers that are in good condition and that are properly labeled. If these drums contain a hazardous residue (acid), then the entire container (drum) must be managed as a hazardous waste.

During the investigation of the site, it was observed that the underground storage tanks at the chemical milling area are no longer in use and are covered over. These underground tanks previously stored metal finishing solutions and were used for chemical milling processes. The HMMD is concerned that these underground tanks may still contain hazardous substances or residues and may in fact have been closed in place without obtaining the required permit from this office. The tank operator must demonstrate to the HMMD that there has been no unauthorized release from an underground storage tank system prior to closure of the tanks (Note: See Sections H&SC 25298-99). Additionally, underground storage tank operators must apply for a permit from the HMMD to close or abandon an underground tank. Our records indicate that no underground storage tank closure permits have been issued to your company. Submit to the HMMD by May 20, 1990, an application to close the underground storage tanks at your facility. The necessary application forms can be obtained from the HMMD during normal business hours.

Furthermore, our observations at the chemical milling area indicate that a possible soil boring was done at the west side of this process area. It appears that the boring was backfilled with concrete sometime ago. By May 10, 1990, submit to the HMMD all information regarding the status of the unused underground storage tanks at the chemical milling area. Also, include in your submittal any geotechnical reports for the site; underground storage tank monitoring information; soil boring data; and soil/groundwater sample analysis data that you have knowledge of so that the HMMD can review the information and assess the status of potential subsurface contamination at the site.

Also, provide written documentation of compliance for the violations listed above (Items 1 thru 9) to the HMMD by May 10, 1990. At a minimum, this documentation must state the corrective actions to be taken and the expected dates of completion. If you have any questions, please contact me at (619) 940-2859.

Sincerely,

John Misleh

JOHN MISLEH, Supervising Hazardous Materials Specialist
Hazardous Materials Management Division

JM/lms

cc: Victoria L. Gallagher, Chief, HMMD

Certified Mail/RRR

Attachment #2

Official Notice
2/14/1992

J. WILLIAM COX. M.D., Ph.D
DIRECTOR
STEVEN A. ESCOBOZA
ASSISTANT DIRECTOR

County of San Diego

DEPARTMENT OF HEALTH SERVICES
ENVIRONMENTAL HEALTH SERVICES

OFFICE OF THE DEPUTY DIRECTOR
P.O. BOX 85261
SAN DIEGO, CA 92186-5261
(619) 338-2211
Fax #: 338-2174

HAZARDOUS MATERIALS MANAGEMENT DIVISION
P. O. BOX 85261
SAN DIEGO, CA 92186-5261
(619) 338-2222

OFFICIAL NOTICE

February 14, 1992

Caspian Incorporated
Linda Collins
4651 Ruffin Rd.
San Diego, CA 92123

Dear Ms. Collins:

RE: CONTAMINATED SOIL AND/OR GROUND WATER
CASPIAN, INC., 4651 RUFFIN RD., SAN DIEGO, CA 92123
HMMD FILE NO. ~~H07938-003~~ 002

Information provided to the Hazardous Materials Management Division (HMMD) from analysis of soil samples indicates that a hazardous-substance release to soil and/or ground water has occurred at the site referenced above. The HMMD has notified the Regional Water Quality Control Board (RWQCB).

Because of RWQCB staff limitations, the RWQCB may not be able to respond to this contamination case in a timely manner. The HMMD can act as the lead agency and provide oversight of site assessment and remediation activities in order to help expedite the resolution of this case. The HMMD will consult with RWQCB staff and obtain their concurrence for all decisions concerning site assessment and remediation.

Instead of HMMD oversight, the Responsible Party can choose to have the RWQCB as the lead agency. If the Responsible Party prefers to have the RWQCB as the lead agency, please contact the RWQCB at (619) 265-5114.

If the Responsible Party agrees to HMMD oversight, complete and submit the enclosed form entitled APPLICATION FOR HMMD ASSISTANCE. In order to recover costs, the Responsible Party will be subject to billing for HMMD staff time expended for oversight and review of site assessment and remediation activities. The current cost-recovery charge for staff time is $80.00 per hour. An initial fee of $160.00 must be included with the application form.

The conditions created by the hazardous-substance release at the site referenced above may pose a threat to public health and the surrounding environment. The following corrective actions must be addressed to the satisfaction of the HMMD and the RWQCB:

1) Take immediate action to protect public health and safety, and prevent the further release of contaminant(s) to the environment.

2) Determine the horizontal and vertical extent of soil and ground-water contamination, and determine existing or potential adverse impacts to public health and/or to the environment.

3) Submit a complete Site Assessment Report to the HMMD and RWQCB. The Site Assessment Report **must** address all the items on the enclosed SITE ASSESSMENT REPORT CHECK LIST.

4) Complete any site mitigation (clean-up) as required by the HMMD and the RWQCB.

Subsequent site assessment and remediation actions will be determined following evaluation of the written report and consultation with the RWQCB and other appropriate regulatory agencies.

If you have any questions regarding this Official Notice, please call me at (619) 338-2497.

Sincerely,

Pamela Villa Clay

PAMELA VILLA CLAY, Hazardous Materials Specialist
Hazardous Materials Management Division

PVC:jw

Enclosures

cc: James Munch, RWQCB
John Misleh, Program Manager
Industry Compliance Program

Attachment #3

Summary of Work Completed and Proposed Additional Sampling
2/12/1992

HARGIS – ASSOCIATES,
2223 Avenida [illegible] Suite 205
[illegible], California 92037
(619) 454-0365
Telecopier (619) 454-0839

February 12, 1992

VIA HAND COURIER

Mr. Michael D. Vernetti, R.E.H.S.
DEPARTMENT OF HEALTH SERVICES
Hazardous Materials Management Division
1255 Imperial Avenue, Third Floor
San Diego, CA 92138-5261

Re: Summary of Work Completed and Proposed Additional Sampling for Permit #H07938 at Caspian, Inc. on 4951 Ruffin Road

Dear Mr. Vernetti:

In accordance with your requests during the February 3, 1992 meeting, this letter summarizes the work completed to date and proposes additional sampling to complete the soil sampling portion of Permit #H07938 at Caspian, Inc. on 4951 Ruffin Road.

Thirteen soil borings were drilled in the vicinity of four underground storage tanks in November 1991. Thirty four soil samples were collected and sampled (Table 1). Depending on the materials stored in the underground storage tank, soil samples were analyzed for volatile organic compounds (VOCs) using EPA Methods 8010 and 8015, sodium hydroxide (pH) using EPA Method 9045, sodium sulfide using EPA Method 376.2, fluoride using EPA Method 340.2, nitrate using EPA Method 353.1, and triethanolamine using gas chromatography/mass spectroscopy extraction procedure. Soil samples from Tank 81 were not analyzed for titanium by the laboratory. Soil samples from Tanks 14 and 15 were not analyzed for aluminum by the laboratory. Soil samples from the soil borings adjacent to Tanks 14, 15, and 81 still exist. These soil samples will be resubmitted to the laboratory for analysis of titanium for Tank 81 and analysis of aluminum for Tanks 14 and 15. These soil samples will be analyzed for titanium and aluminum using EPA ~~Method~~ 6010.

During the February 3 meeting, Mr. Dick Thurlow asked for the analytical results for soil samples he requested in the field. As per his request in the field, Hargis + Associates, Inc. personnel collected two soil samples from locations that were dark in color in the vicinity of Tank 15. The two soil samples were collected from soil borings HA-8 and HA-9. These soil samples were designated AC-4-16 and SB-9-15 (Table 1). Soil sample AC-4-16 was collected from dark-colored soil cuttings obtained from soil boring HA-8 at a depth of approximately 16 feet. Soil sample SB-9-16 was collected from soil boring HA-9

at a depth of approximately 16 feet using a split spoon sampler equipped with brass tubes. Soil samples AC-4-16 and SB-9-15 were analyzed for triethanolamine, sulfide, and pH.

In accordance with Mr. Vernetti's request, one soil boring will be vertically drilled to a depth of approximately 35 feet, north of the Maskant Tank. This soil boring is proposed in order to complete the characterization beneath the north end of the Maskant Tank. Soil samples will be collected at approximately 10, 25, and 35 feet below land surface (bls). All soil samples will be analyzed for VOCs.

One soil boring will be angle-drilled from the west to approximately 30 feet bls beneath Tank 81. This soil boring is proposed in order to complete the characterization below Tank 81. Soil samples will be collected at approximately 20, 25, and 30 feet bls. All soil samples will be analyzed for titanium, fluoride, nitrate, and pH.

Drilling will be conducted with a hollow stem auger at the Maskant Tank and with an air rotary rig at the Tank 81 location. Samples will be collected with a split spoon sampler equipped with brass tubes. The Hazardous Materials Management Division will be contacted at least 48 hours prior to commencement of drilling operations.

If you have any questions or require further discussion, please contact me.

Sincerely,

HARGIS + ASSOCIATES, INC.

Gary F. Vargas
Senior Project Manager

cc: Ms. Linda Collins

vernet02.322

bcc: Ms. Johanna F. Barry, R.E.H.S.

Attachment #4

Results of Additional Soil Sampling
7/30/1993

DUDEK & ASSOCIATES, INC.

605 Third Street
Encinitas, CA 92024
(619) 942-5147 • Fax No. (619) 632-0164

July 30, 1993

462-01

Ms. Pamela Villa Clay
County of San Diego
Department of Health Services HMMD
PO. Box 95261
San Diego, CA 92186-5261

Re: Results of Additional Soil Sampling and Identification of Source of Tetrachloroethylene Previously Detected in Soil Samples at the Caspian Inc. Facility, 4951 Ruffin Road, San Diego, California, 92123, HMMD File No. H07938-003

Dear Ms. Villa Clay:

Pursuant to your letter request dated 14 January, 1993 Dudek and Associates (Dudek) has completed an additional phase of soil sampling in the vicinity of below-grade processing structures (BGPS) 14,15 and 81 and background soil samples at the Caspian Inc. facility located at 4951 Ruffin Road, San Diego, California (the Site). This letter details the sampling procedures and presents the results of the soil chemical analyses. A discussion of the source of tetrachloroethylene (PCE) previously detected in soil samples at the Site follows the discussion of soil sampling. Lithologic logs of the soil borings, maps indicating the locations of the borings, complete laboratory reports, and chain of custody are attached. We have also included the Material Safety Data Sheets (MSDS) for aluminum and titanium alloys most commonly used at Caspian as requested.

Background

Results of previous soil sampling at the Site were used to locate additional soil borings for this investigation. In November of 1991, Hargis and Associates Inc. (HA) performed a subsurface investigation associated with four BGPS's at the Site. During that investigation 13 soil borings were drilled adjacent to the four BGPS's. In February of 1992, HA obtained composite soil samples of cuttings from borings completed adjacent to BGPS 14, BGPS 15 and BGPS 81 (see attached Site Plan). The composite samples obtained adjacent to BGPS 14 and BGPS 15 were analyzed for aluminum. The composite samples obtained adjacent to BGPS 81 were analyzed for titanium. Of the composite samples analyzed, the highest concentrations adjacent to each BGPS are indicated in the following table.

BGPS	Boring	Depth (feet below land surface)	Compound	Concentration (mg/kg)
14	SB-11	0-16	Aluminum	19,800
15	SB-8	0-20	Aluminum	16,500
81	SB-13	0-19	Titanium	2,980

During the 27 July 1992 meeting, the San Diego County Department of Health Services, Hazardous Materials Management Division (HMMD) required discrete grab samples to be analyzed for trace metals. Based on previous results Dudek proposed obtaining samples from locations adjacent to borings SB-11, SB-8 and SB-13. These soil borings were located adjacent to BGPS 14, 15 and 81, respectively.

Lithologic logs from the previous HA investigation indicate that the Site is underlain by silty sands, sands, silty sands with cobbles and cobble conglomerates. In general, soils from the surface to depths of 6-10 feet are composed of silty sand with cobbles. These soils are underlain by primarily cobble-free silty sands to depths of 13-16 feet. The silty sands are underlain by a cobble conglomerate. In your 14 January 1993 letter, you requested that the discrete soil samples be obtained from the silty sand just above the contact with the cobble conglomerate. In addition, your 14 January 1993 letter also requested background samples be obtained from same geologic formation in an area outside the influence of Site activities. During a telephone conversation on 8 February 1993, Dudek proposed the location for the background boring to be outside the Site's main gate alongside the driveway. This proposed location and sampling depths of approximately 10 and 16 feet were confirmed in a subsequent letter dated 19 February 1993.

Soil Sampling

Soil sampling was performed on 18 May, 1993. Sampling was performed using a Mobile B-90 drill rig equipped with an 8-inch hollow stem auger. The drill rig was supplied and operated by Valley Well Drilling of Oceanside CA. The samples were obtained by drilling to above the desired sampling depth and driving a 2-1/2-inch diameter split spoon sampler ahead of the bit. The split spoon sampler was equipped with three 6-inch by 2-1/2-inch brass tubes which had been decontaminated. The brass tubes were then sealed on both ends with Teflon lined plastic caps, labeled, and stored on ice. Borehole lithology was logged by an onsite geologist during drilling (see attached Boring Logs). Cuttings from the boreholes were placed in 17-H DOT approved 55 gallon drums, sealed, labeled, and stored onsite. One drum was used for each boring. All boreholes were backfilled with bentonite chips, and hydrated. The three boreholes on site were capped with 0.5 feet of concrete at the surface. The background boring was capped with native soil.

One boring was completed at each of the four proposed locations. Boring SB-113 was drilled approximately 5 feet west of boring SB-13, next to BGPS 81 (Figure 1). Boring SB-111 was drilled approximately 1 foot north of boring SB-11, next to BGPS 14. Boring SB-108 was drilled approximately 4 feet northeast of boring SB-8, next to BGPS 15. Borings SB-108 and SB-113 were drilled as close as practicable to borings SB-8 and SB-13, respectively. The background boring, boring SB-100 was drilled on the south side of the Site's driveway approximately 60 feet west of the gate and 13 feet south of the pavement (Figure 2).

At each location, the lithology observed during drilling was compared with previously obtained data. Soil samples were collected within the silty sand beginning 1 to 3 feet above the anticipated contact with the cobble conglomerate . Soil sampling was continued in 1.5 foot intervals until refusal on the cobble conglomerate. The last soil sample above refusal was used for laboratory analysis. The sample depths for each of the onsite samples are as follows: SB-113 at 15.4 feet; SB-111 at 15.5 feet and SB 108 at 14.0 feet. Samples were obtained from the silty sand just above the cobble conglomerate at each of these locations onsite.

During drilling of background soil boring SB-100, a silty sand with cobbles was encountered from land surface to a depth of 11 feet. An attempt was made to collect a soil sample at 10 feet but no sample was recovered due to cobbles. One sample was obtained at a depth of 13 feet. A second sample was obtained at a depth of 15 feet. The soil sampler was unable to penetrate beyond 15 feet. These two samples were obtained from the silty sand interval above the likely contact with the cobble conglomerate.

All of the soil samples were delivered to Analytical Technology Inc. of San Diego, CA (ATI) for analysis for total recoverable metal concentration according to the methods described in "Test Methods for Evaluating Solid Waste, Physical/Chemical Methods" SW-846, 2nd edition, US. Environmental Protection Agency, 1982 (see attached Chain of Custody). The results of these analyses indicate that concentration of all soil samples are less than the Total Threshold Limit Concentration (TTLC) for all 17 CAM Metals (Table 1). All results are also less than 10 times the Soluble Threshold Concentration (STLC) for all 17 CAM Metals(see attached ATI Laboratory Report). In general, there does not appear to be a difference between the concentrations of CAM metals detected onsite and those of the background boring. Sample SB113-15.4 contained 68.8 mg/kg of nickel which was more than other onsite or background samples. However, this concentration is still less than the TTLC for nickel and less than ten times the STLC for nickel.

In addition to the Title 22 CAM metals each of the soil samples were also analyzed for aluminum and titanium. The results of these analyses are as follows:

Sample	Boring	Depth (feet below land surface)	Aluminum (mg/kg)	Titanium (mg/kg)
SB113-15.4	SB-113	15.4	15,300	636
SB111-15.5	SB-111	15.5	25,100	1,020
SB108-14.0	SB-108	14.0	7,120	438
SB100-13.0	SB-100	13.0	5,110	697
SB100-15.0	SB-100	15.0	4,800	365

These results are in close agreement with the concentrations of the previously obtained composite samples. There is no evidence that discrete zones of high metal concentrations are present. Furthermore, the concentrations of aluminum and titanium onsite vary by less than half an order of magnitude from those observed in the background boring. For reference, the normal range of aluminum in soil samples in the western United States is 29,000 to 116,000 mg/kg (Shacklette and Boerngen, 1984). The MSDS sheets for aluminum and titanium characterize both metals as having low health risks. Aluminum and titanium dusts are considered nuisance dusts. The aluminum and titanium concentrations observed from soil samples collected onsite do not appear to have been significantly elevated by onsite activity.

No further investigation into metal contamination associated with BGPS 14,15 and 81 is recommended. During this investigation three borings were drilled onsite and one offsite. Concentrations of the Title 22 CAM metals are low in all samples and the offsite and onsite concentrations are similar. Currently 14 soil borings have been drilled in the vicinity of BGPS's 14,15 and 81. Analyses of soil samples from these investigations have not provided any evidence that metal concentrations in the subsurface soils in the vicinity of the BGPSs pose a risk to human health as a hazardous waste or threaten to cause groundwater to exceed maximum contaminant levels established for metals. As discussed below, the depth to groundwater is at least 81 feet and is probably greater than 100 feet. Based on these results, Caspian requests that in September 1993 it be allowed to proceed with closure of the BGPSs as detailed in the 8 August 1990 Closure Plan which was approved by HMMD on 7 January 1991.

↓
final operation permits has not been approved.

Caspian requests that it be allowed to dispose of soil cuttings onsite. Soil cuttings from all 14 soil borings drilled to date around BGPSs 14, 15, and 81 are currently being stored onsite in 55 gallon drums. The concentrations of total recoverable metals in soil samples from the last four borings which were targeted on the highest previously detected concentrations are all well below the TTLC concentrations. They are also less than 10 times the STLC. Based on these results, there is no evidence that these soils would present a hazard by being left at the surface on the site. The most cost effective method of disposing of the soils is to spread them on unpaved portions of the Site. Leaving the soils onsite will avoid unnecessary landfill disposal.

PCE Source

PCE was detected in soil samples collected in November 1991 and March 1992 in the vicinity of the Maskant BGPS. The only soil samples containing concentrations of PCE greater than 10 mg/kg were the samples collected from SB-3 and SB-5 at a depth of 10 feet below the land surface (bls). These soil samples contained concentrations of PCE of 190 and 62 mg/kg, respectively. These samples were the shallowest samples collected from those borings. The bottom of the Maskant BGPS is 20 feet bls. Overall, the PCE concentrations decrease with increasing depth. Typically, the highest concentration of PCE in uniform subsurface sediments would be expected to occur near the possible source of a release. In this case, the highest concentrations were observed in samples obtained at shallow depths.

PCE and trichloroethylene (TCE) have very similar physical properties and the California Maximum Contaminant Level for drinking water is 5 micrograms per liter (ug/l) for both compounds. No California Title 22 threshold limits exist for PCE, so it is useful to use the TCE limits for a comparison purpose. According to Title 22 requirements, soils containing a total concentration (TTLC) of less than 2,040 milligrams per kilogram (mg/kg) TCE and soluble concentration (STLC) of less than 204 milligrams per liter (mg/l) TCE may be treated as non-hazardous waste. The maximum concentration of PCE detected in soil samples from the area of Maskant BGPS is 190 mg/kg, more than order of magnitude below the TTLC for TCE. In the unlikely event that all of the PCE were soluble, the detected concentration is still below the STLC for TCE.

Groundwater was not encountered within any of the borings to the maximum depth explored of 81 feet. Saturated soil was noted in the lithologic log from boring SB-1 at depths from 59.5 - 61.0 feet bls; however, the underlying soil to the depth of 81 feet was described as slightly moist. The actual depth to groundwater is unknown, but is expected to be greater than 100 feet. The site is located at an elevation of approximately 420 feet mean sea level on the relatively level Kearney Mesa. Approximately 1,400 feet east of the site at the edge of the mesa, the ground slopes steeply down to the bottom of Murphy Canyon at an elevation of approximately 200 feet msl. Water has not been noted seeping out of the bank of the slope. Water seepage would indicate a groundwater elevation higher than the canyon bottom.

Prior to 1989, PCE was used in the Maskant BGPS. PCE was detected in soil samples at 10 feet below land surface. The base of the Maskant BGPS is at 20 feet below land surface. Overall, PCE concentrations decrease with depth in soil samples collected from borings drilled in the vicinity of the Maskant BGPS. A hole was observed in the north side of the Maskant BGPS at approximately 18 to 19 feet bls. In addition, a gap exists between the lip of the Maskant BGPS and the concrete slab surrounding it. It appears that the source of PCE in soil samples in the vicinity of the Maskant BGPS was from surface operations in and around the Maskant BGPS, from the hole in the north side, or from the gap surrounding it.

Given the low concentrations of PCE detected (relative to the TTLC and STLC of TCE) the sharp decrease in PCE concentrations with depth, the relatively low permeability expected in the soils below the site and the great depth to groundwater, further investigation into the distribution of PCE in the vicinity of the Maskant BGPS does not appear to be warranted. Caspian requests that it be allowed to proceed with the closure of the Maskant BGPS in accordance with the approved closure plan in September 1993.

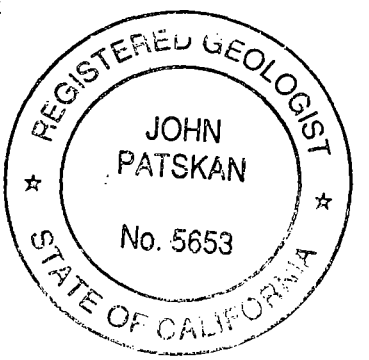
If you have any questions or regarding this letter please do not hesitate to call.

Very truly yours,

Dudek & Associates, Inc.

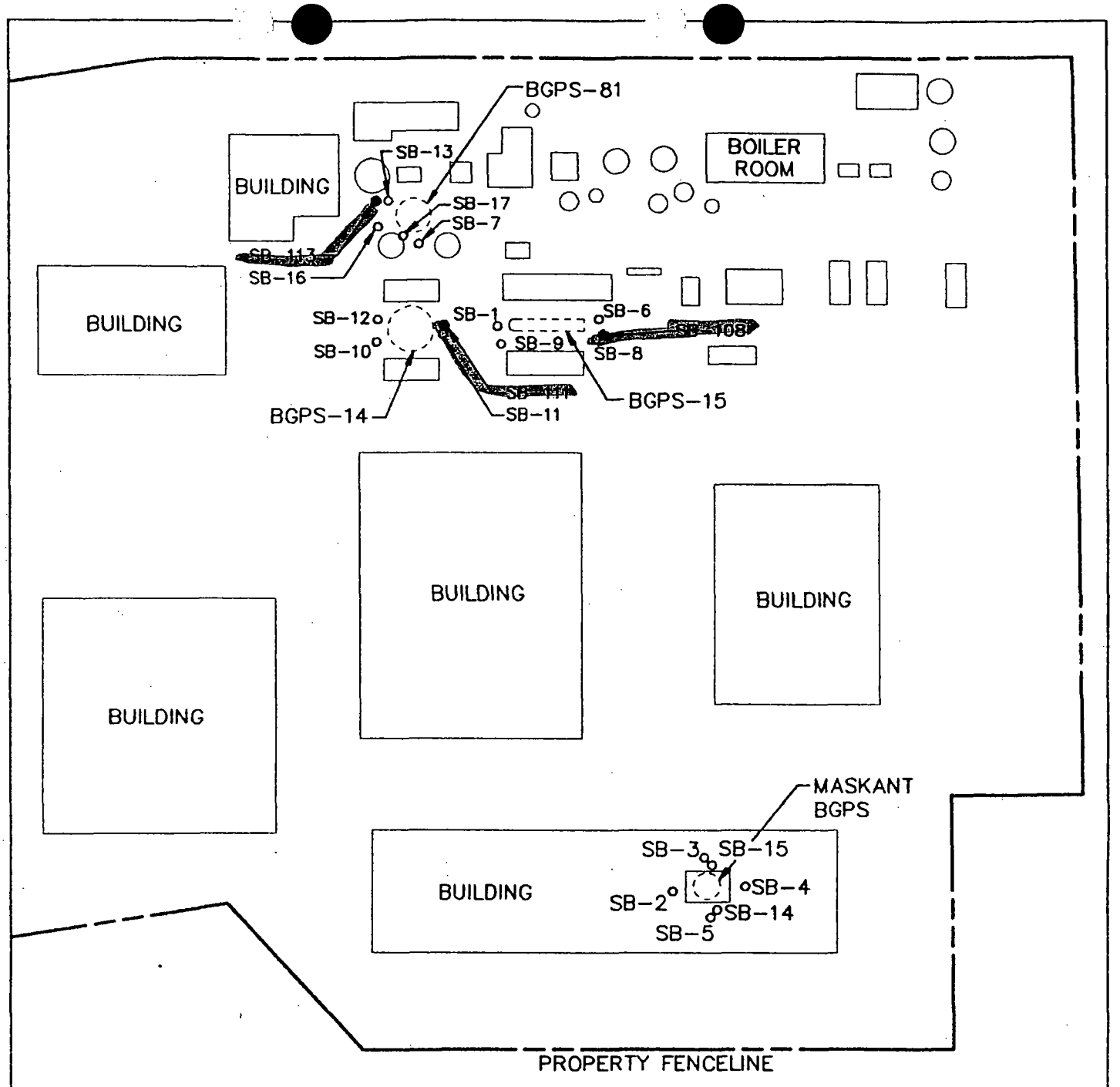
Peter Quinlan
Project Manager

John Patskan, R.G. No. 5653
Hydrogeologist



Attachments:
- Table 1
- Lithologic Logs (4 pp.)
- Figure 1 Location of Soil Borings
- Figure 2 Location of Background Boring
- ATI Laboratory Report (7 pp.)
- Chain of Custody
- MSDS Wrought Aluminum Products (5 pp.)
- MSDS Titanium (2 pp.)

cc: Ms. Linda Collins (Caspian Inc.)
Mr. Corey Walsh (RWQCB)



LEGEND

SB-17 ○ PREVIOUS SOIL BORING LOCATION BY HARGIS & ASSOCIATES

SB-113 ● SOIL BORING LOCATION THIS INVESTIGATION

BELOW GRADE PROCESSING STRUCTURE

ALL LOCATIONS AND DIMENSIONS ARE APPROXIMATE

0 100

FEET

FIGURE 1

LOCATION OF SOIL BORINGS

DUDEK & ASSOCIATES, INC.

Attachment #5

Buried Empty Drums Formerly used to Store HF
1/19/1996

P.V.C.

County of San Diego

GARY R. STEPHANY
DIRECTOR

DANIEL J. AVERA
ASSISTANT DIRECTOR

DEPARTMENT OF ENVIRONMENTAL HEALTH
P.O. BOX 85261, SAN DIEGO, CA 92186-5261
(619) 338-2222 FAX (619) 338-2377

SITE ASSESSMENT AND MITIGATION DIVISION

January 19, 1996

Ms. Linda Collins
Environmental Manager
Caspian Incorporated
4651 Ruffin Road
San Diego, CA 92123

Dear Ms. Collins:

BURIED EMPTY DRUMS FORMERLY USED TO STORE HYDROFLUORIC ACID
CASPIAN FACILITY, 4651 RUFFIN ROAD, SAN DIEGO, CA 92123
CASE NUMBER H07938-001

The site remediation information submitted to this agency by Applied Geosciences Inc., summarizing the site characterization activities at the above-referenced location has been reviewed. With the provision that the information provided to this agency was accurate and representative of existing conditions, it is the position of this office that **no further action is required at this time**.

Please be advised that this letter does not relieve you of any liability under the California Health and Safety Code or Water Code for past, present, or future operations at the site. Nor does it relieve you of the responsibility to clean up existing, additional, or previously unidentified conditions at the site which cause or threaten to cause pollution or nuisance or otherwise pose a threat to water quality or public health.

Additionally, be advised that changes in the present or proposed use of the site may require further site characterization and mitigation activity. It is the property owner's responsibility to notify this agency of any changes in report content, future contamination findings, or site usage.

Thank you for your efforts in resolving this matter. Please contact Pamela Villa Clay of the Site Assessment and Mitigation Division, at (619) 338-2497, if you require additional assistance.

Sincerely,

CHUCK PRYATEL, Division Manager
Site Assessment and Mitigation Division

CP:gl

cc: Regional Water Quality Control Board

"Prevention Comes First"

WP\H07938.CLS

Attachment #6

Letter from SD County DEH SAM Division
regarding former alodine tank
3/6/1997

County of San Diego

DANIEL J. AVERA
DIRECTOR

LARRY T. AKER
ASSISTANT DIRECTOR

DEPARTMENT OF ENVIRONMENTAL HEALTH
P.O. BOX 85261, SAN DIEGO, CA 92186-5261
(619) 338-2222 FAX (619) 338-2377

SITE ASSESSMENT AND MITIGATION DIVISION

March 3, 1997

Caspian Inc.
Attn: Cyrus Jaffari
4951 Ruffin Road
San Diego, CA 92123

Dear Mr. Jaffari:

CASPIAN INC. 4951 RUFFIN RD., SAN DIEGO, CA 92123
FILE #H07938-002

In 1991, under the direction of the Hazardous Material Management Division (HMMD), soil samples were collected from a boring installed near a crack in the concrete flooring of the former alodine area. Subsequently HMMD referred the matter to the Site Assessment and Mitigation Division (SAM). Review of the soil boring data indicates that soil was sampled at 1, 3, and 5 feet below ground surface and analyzed for hexavalent chromium, chromium, and other metals listed in California Code of Regulations, Title 22. The laboratory results were less than hazardous waste levels per California Code of Regulations, Title 22. At this time, no additional information is necessary regarding this matter.

Should you have any questions please contact me at (619) 338-2497.

Sincerely,

Pamela Villa Clay

PAMELA VILLA CLAY, Hazardous Materials Specialist
Site Assessment & Mitigation Division

PVC:ac

cc: H. Wills Booth, III, Elkhorn Ranch Inc.

WP/H07938.002

Attachment #7

Tank Closure in Place
5/22/1997

County of San Diego

DANIEL J. AVERA
DIRECTOR

LARRY T. AKER
ASSISTANT DIRECTOR

DEPARTMENT OF ENVIRONMENTAL HEALTH
P.O. BOX 85261, SAN DIEGO, CA 92186-5261
(619) 338-2222 FAX (619) 338-2377
SITE ASSESSMENT AND MITIGATION DIVISION

May 22, 1997

Elkhorn Ranch, Inc.
H Wills Booth, III
Vice-President
PO Box 2164
Julian, CA 92036

Dear Mr. Booth:

TANK CLOSURE IN PLACE - CASPIAN, INC., 4951 RUFFIN ROAD, SAN DIEGO, CA 92123, #H07938

This letter is in response to your correspondence received April 25, 1997, regarding the permits issued by the Department of Environmental Health (DEH) for the closure in place of the underground storage tanks at Caspian, Inc., 4951 Ruffin Road, San Diego.

The DEH, Site Assessment and Mitigation Division, issued a permit to Caspian, Inc. on September 20, 1993 to close 4 tanks in place. The permit was issued to Caspian, Inc. as the tank operator pursuant to the requirements as set forth in the California Code of Regulations, Title 23. Subsequent to our October 13, 1993 letter issued by County Counsel, this office has no records in our files to indicate receipt of court documents regarding the litigation between Elkhorn Ranch, Inc. and Caspian, Inc. Absent any information that the court had prohibited the closure in place of the tanks we worked with the tank operator involved to close the tanks. Based upon the permit information presented to DEH and the determination that all requirements for closure in place were completed, approvals were issued.

Based upon the information provided to DEH the tanks have been closed in place under permit and will not require any further action. If in the future new information is received that contamination from the tanks may present a threat to public health or groundwater resources DEH, under the provisions of the California Health and Safety Code, Chapter 6.7 and 6.75, may require the property owner, tank owner and former operators to investigate the site and take any necessary actions to mitigate a threat.

If you have any questions please contact me at 338-2449 or Mike Vernetti, Supervising Hazardous Materials Specialist, at 338-2242.

Sincerely,

CHUCK PRYATEL, Chief
Site Assessment and Mitigation Division

CP/vw

cc: Thomas Montgomery, County Counsel
John Misleh, Deputy Chief, HMMD
Mike Vernetti, SAM
File #H07938

ELKHORN RANCH, INC.
P.O. BOX 2164
JULIAN, CALIFORNIA 92036

TELEPHONE: (619) 765-2320 *FACSIMILE: (619) 765-2320*

April 15, 1997

JOHN MISLEH, DEPUTY CHIEF OF HMMD
DEPARTMENT OF ENVIRONMENTAL HEALTH
P.O. BOX 85261
SAN DIEGO, CA 92186-5261

RE: **HMMD File # H07938 - CASPIAN, INC., 4951 Ruffin Rd., San Diego, CA 92123; AND,**

***ELKHORN RANCH, INC. vs CASPIAN, INC.* (San Diego Superior Court Case No. 669230).**

Dear Mr. Misleh:

Attached are copies of:

(1) the letter dated October 13, 1993, sent by Thomas E. Montgomery, Deputy County Counsel, on behalf of the HMMD and San Diego County, to Robert A. Herndon, then attorney for Elkhorn Ranch, Inc., and Steven P. McDonald, then attorney for Caspian, Inc., with copies to Gary Stephany, Department of Health Services; Chuck Pryatel, Department of Health Services; and, Honorable Anthony Joseph, the Judge of the Superior Court who presided over the case of *ELKHORN RANCH, INC. vs CASPIAN, INC.* (San Diego Superior Court Case Number 669230) (the "Superior Court Case") [As you know, Judge Joseph, in October 1993, issued an injunction in the Superior Court Case (the "Injunction") prohibiting Caspian from closing in place four underground storage tanks (the "Tanks") which were (and, with regard to three of those four Tanks, are now) owned and used exclusively by Caspian. The Tanks are located on the property having the mailing address of 4951 Ruffin Road, San Diego, CA 92123, that is owned by Elkhorn and leased to Caspian under a ground lease (the "Property")];

(2) the "First Amendment to Ground Lease," dated January 31, 1994, that was duly signed by Cyrus A. Jaffari, on behalf of Caspian, as its President, and by H. Wills Booth, III, on behalf of Elkhorn, as its Vice-President (the "Amendment");

(3) your E-Mail memorandum dated November 18, 1996, addressed to "MPETER", regarding "Subject: CASPIAN -Reply", with copies to "jortiz, cpryat, pnneuba, rporte"; and,

(4) my letter to Mr. Jaffari, dated December 6, 1997.

Under the applicable underground storage tank laws and regulations, Elkhorn is, as the owner of the Property, ultimately responsible for the Tanks and any environmental problems and liability arising from Caspian's use of the Tanks, but the HMMD, in its interpretation of those laws and regulations, did not provide to Elkhorn those rights, remedies and protections that should be provided to Elkhorn because it bears the greater risks and obligations under those laws and regulations. Elkhorn was not allowed to participate in the most important administrative processes relating to the Tanks and relating to the HMMD's official actions that would result in major economic damages to the Property and Elkhorn's interests in the Property.

At most times before September 1993, the HMMD treated Elkhorn like a member of the general public and not as a party having a major interest in the HMMD's actions relating to Caspian and the Tanks. The HMMD did not give Elkhorn timely notice of any communications, proceedings or other information concerning Caspian's closure application. Elkhorn usually learned of the HMMD's administrative decisions long after they were made or after they were implemented.

To gather information about the status of the HMMD's actions on Caspian's application, Elkhorn, on several occasions, had to make a formal request for a file review for which an appointment would be granted 10-14 days later. Elkhorn spent considerable time and money to have the numerous documents comprising the HMMD's files relating to the Tanks and the various environmental enforcement actions brought against Caspian reviewed and copied several times. Elkhorn's efforts to protect its interests often were materially hindered because Elkhorn had to review the HMMD's files to retrieve information that, on many occasions, was in the hands of Caspian weeks before it was available to Elkhorn.

For a few months after Elkhorn's attorney send a letter to the HMMD stating Elkhorn's unequivocal objection to Caspian's application, the HMMD seemed to provide more timely information to Elkhorn. On a few occasions, however, certain persons at the HMMD were very courteous and helpful to Elkhorn's attorney. Elkhorn Board of Directors again extends its appreciation to those persons.

Then, on September 20, 1993, despite Elkhorn's repeated and unequivocal objections stated to the HMMD, both orally and in writing, the HMMD approved Caspian's application to close the Tanks in place. As unfortunate consequences of the exclusion of Elkhorn from the HMMD's administrative process, the HMMD and Caspian wasted considerable time and money proceeding under Caspian's plan and application to close the Tanks in place, and Elkhorn was required to spend considerable sums to file a lawsuit and obtain an injunction from the Superior Court to stop Caspian and the HMMD from materially damaging Elkhorn's interests in the Property.

In many communications with the principals and representatives of Elkhorn, the HMMD

promised to deal with the closure in place or removal of the Tanks according to the decision of Judge Joseph. Elkhorn's Directors believed those HMMD promises. While relying on the HMMD's promises, Elkhorn's Board of Directors decided against including the HMMD or the County as a defendant in the Superior Court Case and asking the Court to enjoin the HMMD from issuing a permit allowing Caspian to close the Tanks in place. The HMMD's promise is stated clearly in Mr. Montgomery's October 13, 1993 letter. Mr. Montgomery states on the second page of his October 13, 1993 letter:

> **HMMD will act in accordance with the terms of the closure permit if the Court determines that closure in place of the underground tanks may proceed. If the Court determines that the closure in place may not proceed, HMMD will then work with the appropriate party to bring the underground tanks into compliance with state law through other means. HMMD will take a 'wait and see' posture in this matter and does not believe that its involvement in the current litigation would serve any useful purpose.**

At a hearing regarding the injunction before Judge Joseph, Mr. Montgomery made similar statements to the Court on behalf of the HMMD. Apparently, copies of Mr. Montgomery's October 13, 1993 letter were sent to persons at the HMMD and were placed in an HMMD file relating to Caspian and the Tanks.

Judge Joseph decided in Elkhorn's favor and prohibited Caspian from closing the Tanks in place. Mr. Montgomery and everyone at the HMMD who was involved with this matter received immediate notice of Judge Joseph's decision. Certain persons at the HMMD acknowledged to Mr. Herndon and me that the HMMD had withdrawn the permit to close the Tanks in place and the Tanks would be removed. No one can claim that the regulators at the HMMD did not know of the HMMD's promise to Elkhorn and Caspian, Judge Joseph's decision to prohibit closure in place, and Elkhorn's intent to enforce the Court's order if any attempt was made to close the Tanks in place or by any means other that by removal .

In January 1994, Caspian and Elkhorn settled certain issues that were remaining unresolved pending the trial in the Superior Court Case, such as damages,. The terms of that settlement are recited in the Amendment. After the Amendment was signed by Caspian and Elkhorn, a copy of the Amendment was provided to Mr.Montgomery and to persons at the HMMD.

The injunction was confirmation by the Superior Court of California that Elkhorn's interests in the Property and rights under the ground lease are superior to any claim by Caspian that it has the right to close the Tanks in place. The terms of the injunction prohibiting the closure in place of the Tanks are clearly stated as the intent of both Caspian and Elkhorn in Paragraph 3 of the Amendment. In Paragraph 3, Caspian promised Elkhorn that it would not close the Tanks in place. Since October 1993, Caspian has been, and continues to be, bound by an enforceable obligation to

refrain from any effort to close the Tanks in place or by any means other than removal. Since October 1993, the management and others at the HMMD have had actual knowledge of the provisions of both the injunction and Paragraph 3 of the Amendment, which are similar.

Now, after three years, and with absolutely no notice to Elkhorn, the HMMD issued a permit and Caspian quickly closed in place three of the four original Tanks. When I asked certain persons at the HMMD why the HMMD issued the closure permit to Caspian, I was told that the HMMD apparently accepted an oral declaration by Caspian's attorney, and nothing more, that Elkhorn had given its approval for the Tanks to be closed in place. Your November 18, 1996 E-Mail memorandum makes reference to a meeting among Chuck Pryatel, Janet Ortiz, and Caspian's attorney. You state in the E-Mail memorandum:

> **"[A]t that time they told us that the property owner had agreed to the closure in place as long as it was not all cement slurry so they asked chuck if another solid was okay."**

It seems very strange that the HMMD proceeded with closing the Tanks in place based only on this attorney's unreliable and unconfirmed representation especially in light of the HMMD's level of active involvement with and knowledge of the Superior Court Case, the injunction issued by Judge Joseph, the HMMD's obligations stated in Mr. Montgomery's October 13, 1993 letter, and Elkhorn's sustained, ever-consistent and costly efforts to prevent the closure in place of any Tank on the Property. For the same reasons, how could anyone at the HMMD approve the closure in place of any Tank located on Elkhorn's Property without first making a minimal effort to do the right thing by placing a phone call to me or any other principal or representative of Elkhorn to confirm the attorney's representation that Elkhorn had reversed its long-standing position regarding the Tanks?

Someone has made a grave and costly error. Elkhorn's Directors trusted the HMMD's promises that nothing would be done with the Tanks that is inconsistent with the injunction issued by the Superior Court in 1993. Again the HMMD has made Elkhorn a victim of the HMMD's administration of the UST laws and regulations with, what appears to be, an intentional disregard for the rights and interests of Elkhorn, the owner of the property on which the Tanks are located. This time, the HMMD and Caspian obviously acted in concert to (1) breach the agreement established by and among the HMMD, Caspian and Elkhorn by Mr. Montgomery's October 13, 1993 letter; (2) breach Paragraph 3 of the Amendment; (3) prohibit Elkhorn from participating in the HMMD's administrative process that preceded the official action taken by the HMMD that caused Elkhorn to incur major economic damages to Elkhorn's interests in the Property; and, (4) deny due process to Elkhorn and a timely opportunity for Elkhorn to exercise its rights and remedies to protect its valuable interests in the Property by instituting another lawsuit against Caspian and the HMMD and again ask the Court for an injunction prohibiting the closure of the Tanks except by removal in accordance with the UST laws and regulations.

As you can see from my December 6, 1996 letter to Mr. Jaffari, the closure in place of the Tanks has sparked another dispute between Elkhorn and Caspian over their respective rights and obligations concerning the Tanks. All issues relating to that dispute were determined finally by the Court and agreed to in writing by the parties over three years ago. Now, Elkhorn must again spend valuable time and considerable sums of money to protect its interests in the Property and as an owner-responsible party. Why must Elkhorn again bear this burden?

Elkhorn's Directors are very interested in your response to the questions and issues raised in this letter and any other issues regarding what appears to be the illegal approval of the closure in place of the Tanks. By this letter, I formally request, on behalf of Elkhorn, that you prepare and provide to me, before May 1, 1997, a truthful and thorough written response to the questions raised in this letter regarding the alleged approval by Elkhorn of the closure in place of the Tanks and the other circumstances surrounding the HMMD's decision to permit Caspian to close the Tanks in place. If Caspian's attorney gave the HMMD any document that appears to be Elkhorn's written approval of the closure in place of the Tanks, please provide a copy of that document to me with your response.

As soon as I receive your written response, I will call you to schedule a time for me to meet with you and other persons at the HMMD to discuss, among other issues, the HMMD's view of Elkhorn's obligations and risks if the Tanks are removed after the expiration of the ground lease with Caspian. This may be the HMMD's last opportunity to cure some of the damages that have been and will be incurred by Elkhorn at the hands of Caspian in concert with the HMMD.

If you have a question about Elkhorn's request, please call me at (619) 765-2320.

Sincerely,
ELKHORN RANCH, INC.

By: H. WILLS BOOTH, III.
VICE-PRESIDENT

Enclosures

cc: James Giannopoulos
Chuck Prytel✓
Janet Ortiz
Peter Neubauer
Cyrus A. Jaffari